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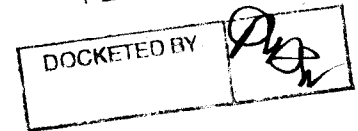
Mail Station 9708  
PO Box 53999  
Phoenix, Arizona 85072-3999

February 22, 2011

Docket Control  
Arizona Corporation Commission  
1200 W. Washington  
Phoenix, AZ 85007

Arizona Corporation Commission  
**DOCKETED**  
FEB 22 2011

RE: Arizona Public Service Company Rural Schools Solar Program  
Decision No. 72174  
Docket No. E-01345A-10-0166 and E-01345A-10-0262



On December 10, 2010, the Arizona Corporation Commission ("ACC") issued Decision No. 72022 which approved Arizona Public Service Company's ("APS") Schools and Government Renewable Energy Program and the Company's Renewable Energy Standard and Tariff ("REST") 2011 Implementation Plan. On February 11, 2011 the ACC issued Decision No. 72174 amending Decision 72022, which provides that:

"IT IS FURTHER ORDERED that the utility-ownership option of the APS Schools and Government Program is subject to the following three parameters for each project:

- 1) The school must be an economically challenged school. "Economically-challenged" is defined as a school with a per pupil available bonding capacity of \$8,000 or less and 60% or more of its students are participating in free or reduced lunch programs.
- 2) The area in which the school is located must be classified by the Census Bureau as rural.
- 3) The school will present APS with a proposal from a third-party solar installer not affiliated with APS. "

The attached Rate Schedule RSSP, Rural Schools Solar Program Rate Rider, includes the conforming changes.

If you have any questions regarding this information, please contact Charles Miessner at (602) 250-3081.

Sincerely,

Susan Casady

SC/sl  
Attachment

cc: Steve Olea  
Janice Alward  
Lyn Farmer

RECEIVED  
2011 FEB 22 P 4:21  
AZ CORP COMMISSION  
DOCKET CONTROL

**REDLINE**



**RATE SCHEDULE RSGSP**  
**RURAL SCHOOLS AND GOVERNMENT SOLAR PROGRAM**  
**RIDER RATE**

**AVAILABILITY**

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served. The rate schedule was approved by the Arizona Corporation Commission ("ACC") in Decision Nos. 72022 and 7217472022.

**APPLICATION**

This rate schedule shall apply to retail Standard Offer electric service for eligible public elementary and secondary schools (K-12), including charter schools, and eligible government customers served under rate schedules E-32 S, E-32 M, E-32-L, E-32TOU S, E-32TOU M, E-32TOU L, GS-SCHOOLS M, and GS-SCHOOLS L or their successor rate schedules as approved by the ACC. All provisions of the customer's current applicable rate schedule will apply in addition to the charges and credits defined within this rate schedule. Rate Schedule RSGSP may not be used in conjunction with any of the Company's partial requirements rate schedules.

~~Eligible government customers shall include sites that are owned and occupied by a federal, state, or local governmental entity as determined by the Company.~~

Eligibility shall be determined by the Company based on the following requirements:

- (1) The customer must be an economically challenged school as defined as having a per pupil available bonding capacity of \$8,000 or less and 60% or more of its students participating in free or reduced lunch program;
- (2) The customer must be located in a designated rural area as classified by the U.S. Census Bureau;
- (3) The customer must provide an alternate solar proposal from a third-party not affiliated with APS; and
- (4) The customer must be a participant in the Rural Schools Solar Program and therefore meet the program requirements including but not limited to (a) granting the Company an easement to install, own, operate and maintain a solar photovoltaic system on customer's premises and (b) meeting the technical requirements for the customer's premises.

~~In addition, to be eligible for this rate schedule, the customer must be a participant in the Schools and Government Solar Program and therefore meet the program requirements including but not limited to (1) granting the Company an easement to install, own, operate and maintain a solar photovoltaic system on customer's premises and (2) meeting the technical requirements for the customer's premises.~~

**TERM**

~~The Solar Charge herein shall remain in effect for 20 years from the customer's effective date. This rate schedule shall remain in effect for a period of twenty years from its effective date unless cancelled or modified by the ACC prior to such date.~~ Customers can discontinue participation in this rate schedule at any time without penalty.

**SOLAR OPTIONS**

The solar photovoltaic equipment size options available under this rate schedule shall be less than or equal to 350 kW-DC of nominal rated capacity for customers with a K-8 school or facilities totaling 75,000 square feet or less at the site where the solar equipment is installed. For customers with a high school or facilities totaling more than 75,000 square feet the solar equipment shall be less than or equal to 550 kW-DC.

In addition, the solar equipment capacity (kW-AC) shall not be greater than 125% of the customer's connected load (kW-AC) as determined in accordance to rate schedule EPR-6 and A.A.C. R14-2-2302, nor shall the Solar Energy be more than 100% of the customer's metered kWh for the previous 12 months. Both of these limitations shall be determined at the time of initial qualification for the rate.

**DETERMINATION OF SOLAR ENERGY**

ARIZONA PUBLIC SERVICE COMPANY  
Phoenix, Arizona  
Filed by: David J. Rumolo  
Title: Manager, Regulation and Pricing

A.C.C. No. 57842  
Canceling A.C.C. No. 5782  
Rate Schedule RSGSP  
Revision No. 1 Original  
Effective: April 1, 2011



**RATE SCHEDULE RSGSP**  
**RURAL SCHOOLS AND GOVERNMENT SOLAR PROGRAM**  
**RIDER RATE**

The Solar Energy, which is the nominal expected monthly kWh output from the photovoltaic solar equipment over time, shall be derived by multiplying the kW-DC rating of the photovoltaic equipment by an average monthly production factor (kWh-AC per kW-DC), as determined by the Company. The monthly production factor is 90 kWh-AC per kW-DC. For billing purposes, the Solar Energy in any month shall not exceed the customer's metered kWh used in computing the monthly bill. For totalized metering service provided under Service Schedule 4, the Solar Energy shall not exceed the metered kWh from the single service entrance section where the solar facility is installed.

**RATES**

The customer's monthly bill shall be calculated in accordance with their current applicable rate schedule except that:

- (1) The monthly bill will include a Solar Charge, which is the Solar Energy multiplied by the per kWh charges listed below. ~~The Solar Charge per kWh shall remain the same for the term of this rate schedule.~~

Applicable Retail Rate Schedule	Solar Charge per kWh
E-32 S, E-32 M, E-32 L	\$0.09293
E-32TOU S, E-32TOU M, E-32TOU L	\$0.05855
GS-SCHOOLS M, GS-SCHOOLS L	\$0.07158

- (2) The monthly bill will be based on the Customer's total metered usage net of the Solar Energy applied to all unbundled kWh charges and adjustments in the customer's current applicable rate schedule, where the netted kWh shall not be less than zero. The netting shall be applied as follows:

- E-32TOU S, E-32TOU M, E-32TOU L - 50% of Solar Energy shall be netted from on-peak kWh, 50% from off-peak kWh. If the net kWh is less than zero for either the on-peak or off-peak period, the remaining kWh shall be netted from the other time period, where the netted amount shall not be less than zero.
- E-32 S, E-32 M, E-32 L - Solar Energy shall be netted from first tier kWh charges. If the netted kWh is less than zero the remaining kWh shall be netted against the second tier of kWh charges, where the netted amount shall not be less than zero.
- GS-SCHOOLS M, GS-SCHOOLS L - Solar Energy shall be netted from the on-peak, shoulder-peak and off-peak kWh according to the following allocation:

Season	Time Period		
	On-Peak	Shoulder-Peak	Off-Peak
Summer Peak (Jun-Aug)	15.0%	35.0%	50.0%
Summer Shoulder (May, Sep & Oct)	15.0%	35.0%	50.0%
Winter (Nov-Apr)	20.0%	10.0%	70.0%

If the net kWh is less than zero in any period, the remaining kWh shall be applied first to the on-peak, and then the shoulder-peak, and the off-peak period if necessary, where the resulting kWh in any period shall not be less than zero.

- Any reductions to the monthly kWh billed under Schedule RES and Schedule EIS due to participation in green power schedules GPS-1, GPS-2, GPS-3 and Solar-3 will be capped at the customer's total metered kWh net of the Solar Energy provided in Schedule RSGSP.



**RATE SCHEDULE RSGSP**  
**RURAL SCHOOLS AND GOVERNMENT SOLAR PROGRAM**  
**RIDER RATE**

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- The Solar Energy shall be netted against the metered kWh from the single service entrance section where the solar facility is installed and shall not be netted against metered kWh from any other metered kWh at other points of delivery at the same customer site or other sites.

**TERMS AND CONDITIONS**

Service under this rate schedule is subject to the Company's Terms and Conditions of the customer's parent rate schedule. This schedule has provisions that may affect the customer's bill.

**NON-REDLINE**



**RATE SCHEDULE RSSP  
RURAL SCHOOLS SOLAR PROGRAM  
RIDER RATE**

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Eligibility shall be determined by the Company based on the following requirements:

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**DETERMINATION OF SOLAR ENERGY**

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**RATE SCHEDULE RSSP  
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<b>Season</b>	<b>Time Period</b>		
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- The Solar Energy shall be netted against the metered kWh from the single service entrance section where the solar facility is installed and shall not be netted against metered kWh from any other metered kWh at other points of delivery at the same customer site or other sites.





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